



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8

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JAN 3 - 2006

Ref: 8EPR-PS

Mrs. Gayla Benefield
President, LATAG
P.O. Box 53
Libby, MT 59923

Dear Mrs. Benefield:

Based on our conference call of October 6, 2006 concerning lobbying, EPA needs an assurance that LATAG has not requested grant reimbursement for lobbying-related costs. From the October conference call, it appears that lobbying activities were performed by LATAG and that the Technical Advisor also engaged in lobbying activities on behalf of, or at the direction of the TAG group. Please send an accounting of lobbying costs and an explanation of whether those costs were charged against the grant. If these costs were not charged against the grant, it would be helpful if the funding source for those costs were identified. I need some type of assurance that all other costs paid with EPA TAG grant funds are not connected with lobbying performed by the technical advisor or any Board member. Please work with Dr. Gerry Henningsen, TAG technical advisor, to determine costs incurred in drafting proposals to the congressional individuals relating to funding needs at Libby. Also, it is necessary to identify those in-kind costs which the Board of Directors charged for lobbying activities. These are not eligible expenses under the grant.

The activities below are not eligible but this list is not **all inclusive** as I cannot determine from Dr. Henningsen's invoice all of the charges which are ineligible:

- Cost for pre-proposal dated July 18th 2006 consisting of four pages plus two pages of Proposed EPA R8 Studies to Expedite Baseline Risk Assessment of Libby Amphibole and Estimates of Itemized Costs per Expense Type for EPA R8
- Calls made to determine financial accounting information
- Document dated August 15, 2006 to Senator C. Burns Subject "Prioritized 'Wish List' of potential studies and resources for risk assessment at Libby
- Individual emails described on Gerry Henningsen's list of emails for period of July - September 2006

In-kind Charges: (Each individual board member's charges for activities/time on lobbying need to be totaled. The TAG has considerably more hours than needed so these hours will just be deducted from the cumulative total of hours.)

- In-kind match counted for Board members for the same individual emails described on Gerry Henningsen's list of emails for period of July - September 2006
- September 12, 2006 letter to Senator Baucus from Gayla Benefield and Brad Black, MD

If you have questions on this, please contact me at 303-312-6696 or contact David Schachterle at 303-312-6920. The reimbursement for \$15,103 will be paid but ineligible charges will be deducted from a future reimbursement.

Sincerely,

Linda Armer

Linda Armer, Project Officer
Technical Assistance Grants

cc: David Schachterle
✓ Paul Peronard
Bill Murray

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			1-3-07
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1.	Paul Peronard		
2.	EPR-SR		
3.			
4.			
5.			
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Approval	For Clearance	Per Conversation	
As Requested	For Correction	Prepare Reply	
Circulate	For Your Information	See Me	
Comment	Investigate	Signature	
Coordination	Justify		
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<i>Linda Armer</i>	
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